



Department of Justice

FOR IMMEDIATE RELEASE
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**GERMAN AND BRAZILIAN PISTON COS. PAY RECORD \$5.6 MILLION PENALTY
FOR VIOLATING ANTITRUST PREMERGER NOTIFICATION REQUIREMENTS**

WASHINGTON, D.C. -- A German and a Brazilian piston manufacturer will pay civil penalties totaling more than \$5.6 million to settle charges that they violated antitrust premerger reporting requirements, said the Department of Justice. The total penalty amount is the largest ever obtained for this type of violation, eclipsing the \$3.1 million paid by Sara Lee Corporation in 1996.

The Department's Antitrust Division today, at the request of the Federal Trade Commission, filed a civil suit against Mahle GmbH, a German piston manufacturer, and Metal Leve S.A., a Brazilian competitor. The complaint alleged that Mahle acquired more than 50 percent of the voting securities of Metal Leve, which had more than \$15 million of assets in the U.S., for approximately \$40 million, in 1996. Each company will pay a civil penalty of about \$2.8 million for not reporting the acquisition to federal antitrust authorities before consummating the deal.

The suit and a proposed settlement, which must be approved by the court, were filed in U.S. District Court in Washington, D.C.

The Hart-Scott-Rodino Act of 1976 imposes notification and waiting period requirements on individuals and companies over a certain size before they consummate acquisitions of stock or assets over a certain value or ownership percentage. The act permits a federal court, upon the Justice Department's request, to assess a civil penalty of up to \$10,000 for each day a party is in violation through November 19, 1996, and \$11,000 for each day thereafter.

A description of the case is contained in the attached press release from the Federal Trade Commission.

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